

# Utah State Building Board



## MEETING

April 11, 2007

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## **MINUTES**

### **Utah State Building Board Members in attendance:**

Larry Jardine, Chair  
Kerry Casaday, Vice Chair  
Steve Bankhead  
Mel Sowerby  
Manuel Torres

### **DFCM and Guests in attendance:**

F. Keith Stepan	Division of Facilities Construction & Management
Robert Franson	Division of Facilities Construction & Management
Kent Beers	Division of Facilities Construction & Management
Shannon Elliott	Division of Facilities Construction & Management
Dana Edwards	Division of Facilities Construction & Management
Michael Ambre	Division of Facilities Construction & Management
Bob Anderson	Division of Facilities Construction & Management
S'ean Crawford	Division of Facilities Construction & Management
Lucas V. Davis	Division of Facilities Construction & Management
John Harrington	Division of Facilities Construction & Management
Rick James	Division of Facilities Construction & Management
Brent Lloyd	Division of Facilities Construction & Management
Vic Middleton	Division of Facilities Construction & Management
Tim K. Parkinson	Division of Facilities Construction & Management
Jeff Reddoor	Division of Facilities Construction & Management
Jim Russell	Division of Facilities Construction & Management
Nikki Sanchez	Division of Facilities Construction & Management
Wayne Smith	Division of Facilities Construction & Management
Craig Wessman	Division of Facilities Construction & Management
Kimberly K. Hood	Department of Administrative Services
Steve Allred	Legislative Fiscal Analyst's Office
Keith Davis	Department of Human Services
Peggy Grusendorf	Utah State Hospital/Department of Human Services
Dan Clark	Parks and Recreation
Bill Maughn	Parks and Recreation
Mary Tullius	Parks and Recreation
Bill Juszczak	Utah Department of Transportation

Terry Schow	Utah Division of Veteran's Affairs
Colonel Scot Olson	Utah National Guard
Colonel Jerry Oyler	Utah National Guard
Johnnie B. Janes	State Veteran's Advisory Council
Gary Adams	Department of Workforce Services
Kevin Walthers	College of Eastern Utah
Brent Petersen	Davis Applied Technology College
Kent Thorsted	Davis Applied Technology College
Bob Askerlund	Salt Lake Community College
David F. Tanner	Southern Utah University
Darrell Hart	Utah State University
David Besel	Utah State University
Jim Michaelis	Utah Valley State College
Kevin Hansen	Weber State University
Rick Stock	Architectural Nexus
Keri Hammond	EDA Architects
Barry Smith	HFS Architects
Julee Attig	Jacobson Construction
Jackie McGill	Spectrum Engineers
RoLynne Hendricks	VCBO Architecture

On Wednesday, April 11, the Utah State Building Board held a regularly scheduled meeting in W125 State Capitol Complex, Salt Lake City, Utah. Chair Larry Jardine called the meeting to order at 9:02am.

Keith Stepan announced his retirement effective May 31. Gregg Buxton will become the director of DFCM beginning June 1 and will begin working with DFCM effective April 16.

☐ **APPROVAL OF MINUTES OF MARCH 14, 2007 .....**

Chair Jardine sought a motion on the Building Board meeting minutes of March 14, 2007.

**MOTION: Mel Sowerby moved to accept the meeting minutes of March 14, 2007. The motion was seconded by Steve Bankhead and passed unanimously.**

☐ **ALLOCATION OF FY2008 CAPITAL IMPROVEMENT FUNDS .....**

Kent Beers presented DFCM's recommendations for the allocation of the FY 2008 Capital Improvement Funds. DFCM previously reviewed each project requested by state agencies and institutions of higher education and determined the highest priority needs across the state.

Mr. Beers referred to the first document entitled Summary of Replacement Costs of Facilities vs. Share of FY 2008 Capital Improvement Funding which identified the amount of funding allocated among state agencies and institutions of higher education compared to the share of the facility replacement cost that each classification generates. Approximately

\$40,753,100 (60%) was allocated to higher education and \$26,659,474 (40%) went to state agencies totaling \$67,412,574. Statewide funding for DFCM managed accounts received \$5,647,326 resulting in a grand total of \$73,059,900.

Mr. Beers referred to the document entitled Summary of Capital Improvement Funding FY 2004 – FY 2008 which provided a five-year overview of the allocation of capital improvement funding by each agency and institution. It also showed the cumulative total and percentage each agency received over the last five years.

The document entitled FY 2008 Capital Improvement Projects identified DFCM's recommendations for this year's allocation of improvement funds. The document reflected the original request for the project and the amount recommended by DFCM for the project. Mr. Beers reviewed the total amount recommended by each agency and institution as noted below:

College of Eastern Utah	\$974,300
Dixie State College	\$1,779,000
Salt Lake Community College	\$3,848,000
Snow College	\$1,793,300
Southern Utah University	\$2,510,400
University of Utah	\$13,035,400
Utah State University	\$7,328,500
Utah Valley State College	\$3,279,000
Weber State University	\$4,152,800
Utah College of Applied Technology	\$2,051,800
Alcoholic Beverage Control	\$346,100
Capitol Preservation Board	\$1,694,500
Community and Culture	\$250,000
Corrections	\$4,041,800
Courts	\$2,093,900
DFCM	\$4,510,100
Fair Park	\$607,400
Health	\$250,100
Human Services	\$3,067,200
Veterans Affairs	\$236,374
National Guard	\$1,254,000
Natural Resources	\$4,493,300
Office of Education	\$600,000
Public Safety	\$667,400
Tax Commission	\$126,500
UDOT	\$1,760,400
Workforce Services	\$660,400
Statewide Programs	\$5,647,326
<b>Total FY2008 Improvement Funding</b>	<b>\$73,059,900</b>

Mr. Beers provided an explanation of each statewide program and how the fund is used to benefit the program. He sought questions from the Board and the audience regarding the capital improvement recommendations.

Steve Bankhead questioned if the projects were evaluated and prioritized without regard to the institution or if DFCM attempted to allocate a certain percentage to each institution to create balance. Kent Beers responded there was an attempt made to provide each agency and institution a percentage, but the higher need of precedence takes priority over share. The capital development projects were similarly proportioned between higher education institutions and state agencies over a five year average.

DFCM also listed unfunded project requests, per Steve Bankhead's previous request, to provide the Board the discretion of rejecting the list and funding other projects. This also demonstrated that DFCM still does not receive enough capital improvement money. There were \$160 million in requests this year and \$73 million was received to fund projects.

Keith Stepan exemplified the frustration the National Guard had with their funding which roughly equates to \$1.2 million. The National Guard desired to upgrade their armories across the state which actually qualified to be upgraded as a total building project. The emergency needs supersede the upgrades and there is no money available for upgrades. Colonel Olsen commented there is federal funding that helps sustain those buildings, but the state's share is reflected in this budget.

**MOTION: Mel Sowerby moved to approve the allocation of capital improvement funds as presented. The motion was seconded by Steve Bankhead and passed unanimously.**

Kent Beers referred the Board to the FY2007 Capital Improvement Performance Report detailing the progress on last year's projects. Approximately 93% of the projects authorized by the Building Board last year are completed or currently under contract. Of the 175 projects, 162 were complete and 13 were not complete. The document provided details to each project and highlighted those not completed. It also identified projects where unusual action was taken.

Robert Franson highlighted the DFCM scoreboards as small snapshots of their performance. The real estate monthly report identified a total yearly rent of \$26,065,975 for a total square footage of 14,372,288. The Capital Development Group reported 22 projects in design at \$493.7 million; 33 projects in construction at \$588.5 million and total projects valued at \$1,082.2 million. The total capital improvement projects value for April is 368 projects at \$130,388,545.

Robert Franson introduced the Capital Improvement group and their responsibilities. Chair Jardine recognized them and their excellence. Kim Hood thanked them for their hard work and their effort in providing the information for the Governor and the Legislature.

☐ **AMENDMENTS TO RULE R23-25 .....**

Rule R23-25 had previously been presented to the Board and had since been published in the Administrative Rules bulletin to allow for public comment. There were no public comments received; therefore Alan Bachman requested the Board approve the changes to Rule R23-25 and allow the documents to be filed.

**MOTION: Steve Bankhead moved to approve the revisions to Rule R23-25. The motion was seconded by Manuel Torres and passed unanimously.**

☐ **UNIVERSITY OF UTAH COGENERATION INITIATIVE.....**

Keith Stepan recommended granting the University of Utah delegation authority to proceed with a cogeneration project that will produce electricity and high temperature water to supply energy products for use on the campus. The University needs to replace two 40 year old High Temperature Water Generators and it is unlikely they would be funded as a current capital development project request. The project budget is \$18.3 million which would be paid mostly through private funding. DFCM would participate on the replacement cost of the two old hot water generators.

Mike Perez, University of Utah, stated the university has the staff on board to easily manage this project to replace the hot water generators. They would benefit by generating approximately six megawatts of electricity and use the savings to service the cogeneration equipment debt for a 20 year period. Delegation authority was requested because it exceeds the \$5 million limit, but it also would not require state appropriations or operations and maintenance funds.

**MOTION: Steve Bankhead moved to approve delegation of the project to the University of Utah. The motion was seconded by Manuel Torres and passed unanimously.**

☐ **OTHER ITEMS .....**

Keith Stepan stated Corrections requested to use \$300,000 of their own funds for a third prison site study. They will appear before the Board in May to request approval in order to quickly select a consultant.

The Building Board will reschedule their June 27 meeting to June 20 in order to meet with the Capital Facilities and Government Operations Subcommittee and the Interim Committee at the Governor's Mansion Carriage House to discuss the capital development project. The meeting will be open to the public, but official business items will not be discussed.

DFCM previously established a policy with the Building Board to inform them of buildings scheduled for demolition. Weber State University Buildings One and Two will be

demolished to clear the site for new construction, and the Hafer Auto Parts Store on 300 West in Salt Lake City will be demolished to make way for a new Alcoholic Beverage Store.

The Building Board and Capital Facilities and Government Operations Subcommittee will tentatively tour the capital development projects the week of August 20-29.

❑ **ADMINISTRATIVE REPORTS FOR UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY .....**

Randall Funk, University of Utah, provided the administrative report for the period of February 23 to March 23, 2007. There were six new design agreements and three new remodeling agreements awarded for the period.

There was a decrease for the Contingency Reserve Fund of \$94,541.49 for the USB remodel ventilation system. There was a decrease to the Project Reserve Fund of \$54,832 for the HCI Foundation Leak.

**MOTION: Kerry Casaday moved to accept the administrative report for the University of Utah. The motion was seconded by Manuel Torres and passed unanimously.**

Ken Nye, University of Utah, presented the FY2007 Capital Improvement Performance Report for projects managed by the University of Utah. The University proactively manages their processes to ensure the projects are addressed by providing a formal quarterly accountability/status meeting with the project managers to ensure issues are addressed.

There were 21 projects delegated to the University and of those, 14 were completed or under construction contract. Seven were not completed, but will be under construction within one month. This results in 67% of the projects being under construction or completed.

David Besel, Utah State University, provided the administrative report for the period of February 21 to March 21, 2007. There were three professional contracts and five construction contracts awarded for the period. There was one decrease to the Project Reserve Fund for the Business Building electrical upgrade.

Of USU's 63 delegated projects, 19 are in the design/study phase, 25 are in construction, eight are substantially complete, five are complete and six are pending.

**MOTION: Steve Bankhead moved to accept the administrative report for Utah State University. The motion was seconded by Manuel Torres and passed unanimously.**

Darrell Hart, Utah State University, discussed the FY2007 improvement projects performance report. Of the 23 projects listed, 12 were complete. Eight projects anticipate completion in May which is approximately 87% complete.

**❑ ADMINISTRATIVE REPORTS FOR DFCM.....**

Kent Beers provided the administrative report for DFCM for the period of February 20 to March 15, 2007. There were 18 architectural/engineering agreements and 18 construction contracts awarded for the period.

There was a decrease to the Contingency Reserve Fund of \$73,224 for the University of Utah Marriott Library Expansion/Renovation, and \$12,024 for the University of Utah Warnock Engineering Building. There were decreases to the Project Reserve Fund for the SUU Centrum Art Remodel for Digital Photo Lab and SLCC RRC Business and Technology Buildings Chillers Removal.

Chair Jardine requested two Board members to serve on selection committees. Steve Bankhead will serve on the selection committee for the Southern Utah University Campus Housing master planning and programming on April 19. Kerry Casaday will serve on the selection committee for the Utah National Guard TASS Barracks at Camp Williams on June 12.

**❑ ADJOURNMENT.....**

**MOTION: Manuel Torres moved to adjourn at 10:34am. The motion was seconded by Mel Sowerby and passed unanimously.**